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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

BEFORE THE HONORABLE MAXINE M. CHESNEY, JUDGE

UNITED STATES OF AMERICA,)

Plaintiff,)

VS.)

No. CR 18-465 MMC

UNITED MICROELECTONICS)

CORPORATION, INC.; FUJIAN)

JINHUA INTEGRATED CIRCUIT, CO.,)

LTD.; CHEN ZHENGKUN, a.k.a.)

STEPHEN CHEN; HE JIANTING,)

a.k.a. J.T. HO; and WANG)

YUNGMING, a.k.a. KENNY WANG.)

Defendants.)

San Francisco, California

Wednesday, April 17, 2019

TRANSCRIPT OF PROCEEDINGS

APPEARANCES:

For Plaintiff:

DAVID L. ANDERSON

UNITED STATES ATTORNEY

450 Golden Gate Avenue, 11th Floor

San Francisco, California 94102

BY: SHIAO C. LEE

ASSISTANT UNITED STATES ATTORNEY

For Defendant United Microelectronics Corporation:

LATHAM & WATKINS

505 Montgomery Street, Suite 2000

San Francisco, California 94111

BY: MARGARET TOUGH, ESQ.

(Appearances continued on next page)

Reported By:

Katherine Powell Sullivan, CSR #5812, RMR, CRR
Official Reporter - U.S. District Court

APPEARANCES (CONTINUED) :

Fujian Jinhua Integrated Circuit, Co. Ltd.:

MORRISON & FOERSTER

425 Market Street

San Francisco, California 94105

BY: CHRISTINE Y. WONG, ESQ.

Wednesday - April 17, 2019

2:20 p.m.

P R O C E E D I N G S

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THE CLERK: Calling criminal case number 18-465,
United States of America versus United Microelectronics and
Fujian.

Counsel, please state your appearances for the record.

MS. LEE: Shiao Lee on behalf of the United States.
Good afternoon, Your Honor.

THE COURT: Good afternoon.

MS. WONG: Good afternoon, Your Honor. Christine Wong
for Fujian Integrated Circuits Co., Ltd.

THE COURT: Hello.

MS. TOUGH: Good afternoon, Your Honor. Margaret
Tough, of Latham & Watkins, for defendant United
Microelectronics Corporation.

THE COURT: Okay. All right. Where are we with this
case? I have some idea where the civil case is, but less
knowledge about where this one is.

MS. LEE: We are still negotiating the terms of the
protective order. We have been producing discovery that is not
confidential or proprietary or trade secret related in the
meantime.

I'm hopeful that we are close to coming to an agreement on
the protective order. There is still batches of incoming

1 discovery from Taiwan that we are obtaining. So long as those
2 are not confidential, we will continue to produce those on a
3 rolling basis.

4 Once the protective order is entered we can then make all
5 the remainder of the discovery available to the defense
6 counsels.

7 We have upcoming trips that are being made to continue
8 the -- you know, the progress of the case, but I think at this
9 juncture it's probably best to put this case over to the middle
10 or the end of May as we continue to work through discovery
11 issues.

12 **THE COURT:** Okay.

13 I wonder if we should put your name down on our calendar.
14 We have Ms. Caldwell.

15 **MS. TOUGH:** I'm standing in for her today.

16 **THE COURT:** Right. Could you give me the spelling on
17 your last name?

18 **MS. TOUGH:** Sure. Tough. T-o-u-g-h.

19 **THE COURT:** Oh, my goodness.

20 **MS. TOUGH:** Come by honestly.

21 **THE COURT:** Watch out.

22 So did you discuss a date or not?

23 **MS. LEE:** Not a particular day.

24 **THE COURT:** Do you want to just take a minute off the
25 record to confer --

1 **MS. WONG:** Sure.

2 **THE COURT:** -- and then let me know.

3 (Counsel confer off the record.)

4 **MS. LEE:** How about May 22nd, at 2:15, Your Honor?

5 **THE COURT:** Let me just check that. I think that's
6 okay. Should be. All right. And I assume from everything
7 you've said that there would be grounds, then, to exclude time
8 from the running of the Speedy Trial clock?

9 **MS. LEE:** Yes.

10 **MS. WONG:** And, Your Honor, I believe there are
11 grounds, but there is one thing that I want to point out to the
12 Court.

13 And that is, if it were possible for Jinhua to go to trial
14 quickly, it would. And this is in part because the government
15 has -- and not this government necessarily, but the government
16 has put Jinhua on what is the Commerce Department's entity
17 list, which has prevented Jinhua from receiving any products
18 that have any U.S.-based-origin technology, which is
19 essentially anything.

20 And so that is, you know, we've got a ticking time clock
21 on the viability of the company. And Jinhua is very anxious to
22 have its day in court.

23 That said, we understand that the Government is waiting
24 for discovery from abroad. There is a specific exclusion under
25 the Speedy Trial Act that allows for waiting for discovery from

1 abroad, and so we understand that. It's somewhat futile for us
2 to protest the exclusion of time under the Speedy Trial Act,
3 but we did want to let everyone understand where we are in this
4 matter.

5 **THE COURT:** Okay. I know that from the beginning
6 Jinhua has been in a somewhat different position than UMC for
7 both the civil and criminal cases, because the people that work
8 for Micron, for example, came to UMC not to Jinhua.

9 And I don't know what evidence you will ultimately, you
10 know, marshal to bring your case against Jinhua as well as
11 against UMC, but that's been essentially the position that
12 they've taken and continue to take, that there isn't enough
13 evidence. I've got the motion pending right now from both
14 parties but different grounds.

15 So but for today, today you feel there are grounds to
16 exclude; you're just concerned about things taking too long?

17 **MS. WONG:** Exactly, Your Honor.

18 **THE COURT:** Okay. Well, I'm going to continue the
19 matter, for further status, to May 22, at 2:15.

20 I will exclude the time between now and then, through that
21 date, from the running of the Speedy Trial clock, for effective
22 preparation of counsel for the reasons stated.

23 This is a fairly involved case, also, and the exclusion
24 is, at least at the moment, in the interests of both defendants
25 and outweighs any other interest they might have, or the

1 public, in moving forward without the exclusion.

2 So that should, I think, conclude this proceeding today.
3 I don't need a separate order on the exclusion.

4 **MS. LEE:** Thank you, Your Honor.

5 **MS. WONG:** Thank you, Your Honor.

6 **THE COURT:** Thank you very much.

7 (At 2:26 p.m. the proceedings were adjourned.)

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13 CERTIFICATE OF REPORTER

14 I certify that the foregoing is a correct transcript
15 from the record of proceedings in the above-entitled matter.

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17 DATE: Friday, April 26, 2019

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21 _____
22 Katherine Powell Sullivan, CSR #5812, RMR, CRR
23 U.S. Court Reporter
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